COMISIÓN DE ENERGÍA DE PUERTO RICO
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COMMONWEALTH OF PUERTO RICO PUERTO RICO ENERGY COMMISSION #500 Roberto H. Todd Street Parada 18 Santurce, PR

IN RE: INTEGRATED RESOURCE PLAN FOR THE PUERTO RICO ELECTRIC POWER AUTHORITY

ORDER No: CEPR-AP-2015-0002

SUBJECT: Integrated Resource Plan for the

Puerto Rico Power Authority

Motion for Clarification and/or to Reconsider the Final Resolution and Order On The First Integrated Resource Plan of The Puerto Rico Electric Power Authority

COMES NOW, PVP Properties, Inc., Coto Laurel Solar Farm, Inc., Windmar PV Energy, Inc., and Windmar Renewable Energy, Inc. (collectively, "WindMar Group"), through the undersigned legal counsel, respectfully state and pray:

Background and Grounds Supporting this Motion

1. On September 26, 2016 the Puerto Rico Energy Commission (the "Commission") issued the Puerto Rico Electric Power Authority's ("PREPA") First Integrated Resource Plan. WindMar Group agrees with the Commission on the urgency for PREPA to have an IRP and sees this as an important step towards a restructured PREPA.

- 2. As stated by the Final Resolution and Order On The First Integrated Resource
 Plan of The Puerto Rico Electric Power Authority ("IRP");
 - "Any party adversely affected by this Final Resolution and Order may file a motion for reconsideration before the Commission, pursuant to Section 11.01 of Regulation 8543 and the applicable provisions of Act No. 170 of August 12, 1988, as amended, known as the Uniform Administrative Procedure Act (UAPA). Said motion must be filed within twenty (20) days from the date in which copy of the notice of this Final Resolution and Order has been filed. Said motion must be filed at the Commission's Clerk's Office, temporarily located at the Puerto Rico Telecommunications Regulator Board, 500 Ave. Roberto H. Todd, San Juan, PR 00907-3941. Copy of the motion as filed must be sent by email to all the parties notified of this Final Resolution and Order within the time frame established herein."
- 3. The Puerto Rico Energy Transformation and RELIEF Act approved on May 27, 2014 ("Act 57") clearly states and describes the complete public policy surrounding PREPA's restructuring in its Section 1.2 Declaration of the Public Policy on Electric Power. It details PREPA's restructuring process including the IRP. In relation to this Motion, in Section 1.2, Act 57 lists various policies such as;
 - "(e) The safety and reliability of the electricity infrastructure shall be guaranteed by integrating clean and efficient energy and using modern technological tools that promote economic and efficient operations;"

And;

(g) The Island shall become a jurisdiction with diversified energy sources and high efficiency electric power generation. To achieve this, it shall be necessary to reduce our dependence on energy sources derived from fossil fuels, such as oil, and to develop short-, medium-, and long-term plans that allow us to establish a well-balanced and optimum energy portfolio for the electrical system of the Commonwealth of Puerto Rico;..."

- 4. Act 57, as part of that policy, in the same Section defines the IRP as "...a plan that considers all reasonable resources to satisfy the demand for electric power services during a specific period of time, including those related to the offering of electric power, whether existing, traditional, and/or new resources, and those related to energy demand, such as energy conservation and efficiency or demand response and localized energy generation by the customer. Every integrated resource plan shall be subject to the rules established by the Commission and approved by the same. Every plan shall be devised with broad participation from citizens and other interested groups."
- 5. The same wording is later restated ad verbatim in Section 2 (k) of Chapter II of Act 57, PREPA's Transformation, when defining the term "Integrated Resource Plan".
- 6. Pursuant to the aforementioned public policy the Part I (c) of the IRP titled Integrated resource plans and planning: Goals and objectives summarizes the IRP's objectives as follows:
 - "30. For Puerto Rico, the goal, in short, is to replace old, costly plants with lower-cost options: more efficient plants, renewable resources, energy efficiency, demand response and distributed generation technologies-some of which empower consumers to manage their own costs, all of which reduce environmental damage as well as customers' exposure to fuel price volatility. Properly designed and continuously executed, an integrated resource planning process will carry out the Legislature's intent to evolve the energy sector into one that relies less on imported fossil fuels and more on Puerto Rico's own resources."
- 7. As an Intervenor in the IRP process, as well as the Transition Charge and New Tariff processes, WindMar Group has spent its resources on evaluating the

- challenges and opportunities that lie within PREPA's transformation and restructuring from the point of view of new technology, renewable energy and opportunities where energy storage can benefit our electric infrastructure.
- 8. Based on its experience and expertise, WindMar Group's recommendations are of benefit to PREPA's restructuring and Puerto Rico's energy needs. Self-supply, off-grid, storage and time of use are upon us. The IRP does not eliminate the entry barriers of new technology. This needs to be done now rather than later. If not, the implementation of these technologies and concepts will continue to be restricted and renewables will continue to be treated as a competitor to fossil fuels instead of part of the IRP.
- 9. New technologies, renewable energy and energy storage were brought to the Commission's attention throughout the IRP evaluation process by WindMar Group and many other participating parties including Intervenors and Public Hearing participants.

Remedy: Request for IRP Amendments

- 10. WindMar Group requests the following changes or clarifications be made to the Commission's revised IRP (in brackets "[]"we have included the specific section of the IRP where we suggest these requests be included and each suggestion is commented further in *italics*);
- A. PREPA shall propose time-of-use (TOU) metering to the Commission as an additional alternative to energy efficiency, demand response and energy storage [301].
- B. PREPA shall immediately implement automatic interconnection and no-permitting for self-supply systems as an additional alternative to Energy efficiency, demand

- response and energy storage [301]. This can also be an alternative to new renewable energy contracts [300].
- C. Automatic Qualifying Facility status (payment of the avoided cost) for any renewable energy systems that provide dispatchable generation to any feeder. [300] A large number of feeders could be made into micro-grids with energy supplied by a combination of renewable-energy, storage and small generators as possible alternatives to New renewable energy contracts (300), to Palo Seco small dual-fuel combined cycles (294), to New Aguirre combined cycle unit (292) and to Aguirre 1 and 2 combined cycle repowering (293).
- D. PREPA shall replace public lights and traffic lights to off-grid solutions. Small wind turbines, solar panels and battery storage can replace the grid provided energy to run those lights, that should be changed to led bulbs as an additional alternative to Energy efficiency, demand response and energy storage [301]. This can be done by direct investment or Power Purchase Agreements executed by a competitive process. This will reduce the need for new generating capacity at Palo Seco or Aguirre (292, 293 and 294).
- E. PREPA shall propose a tariff for ancillary grid services such as frequency and voltage support to the Commission as an alternative to new generating capacity at Aguirre and Palo Seco (292, 293 and 294), to increase energy efficiency [301], and to improve Transmission and Distribution [298] and to add New renewable energy facilities [300].
- F. PREPA will propose a tariff for spinning reserves to the Commission [301]. Implementing this will serve as an alternative to new generating capacity at Aguirre and Palo Seco (292, 293 and 294), to increase energy efficiency (301), to improve Transmission and Distribution (298) and to add New renewable energy facilities (300).
- G. Authorization for private generators with a capacity of less than 50MW as long as they supply 50% of their energy from renewable sources and are dispatchable, as one more possible alternative to Palo Seco small dual-fuel combined cycles (294), to New Aguirre combined cycle unit (292) and to Aguirre 1 and 2 combined cycle repowering (293).
- H. Opening up the Vieques Sound area to wind turbines. This is a feasible alternative to Palo Seco small dual-fuel combined cycles (294), to New Aguirre combined cycle unit (292) and to Aguirre 1 and 2 combined cycle repowering (293).
- I. Automatic Permitting of pump storage facilities that use no more than 10 HA per pond as an alternative to new generating capacity at Aguirre and Palo Seco (292.

293 and 294), to increase energy efficiency (301), to improve Transmission and Distribution (298) and to add New renewable energy facilities [300].

Request for Clarification or Reconsideration of the First Integrated Resource Plan

- 11. WindMar Group respectfully requests this Honorable Commission take its requests into consideration and include them in an amended Integrated Resource Plan. The above listed suggestions pursue the public policy clearly established in Act 57 and will help Puerto Rico meet its energy needs. These actions on behalf of this Honorable Commission and PREPA will allow more renewable energy, provide resilience to the grid and will safeguard critical infrastructure, facilities and processes from electric grid disruptions.
- 12. The technology exists to achieve these objectives at a reasonable cost. Furthermore they will reduce the social, economic and environmental instability of the volatile fossil fuel source, reduce the burden of re-powering obsolete power plants and of re-building the transmission and distribution grid. Less money will be needed for environmental compliance and for non-compliance penalties.

I HEREBY CERTIFY that this Motion was notified on this date via email to the following:

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